

- **Belmont Warrant Committee Meeting Minutes**

- **FINAL**

- **March 23, 2011, 7:30 p.m.**

- **Chenery Community Room**

- Present: Chair Allison; Members Baghdady, Becker, Brusch, Callanan, Dash, Epstein, Grob, Libenson, Lynch, Manjikian, McHugh, Millane, Sarno, Smith; BOS Chair Jones; School Committee Chair Rittenburg

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- Town Accountant Hagg

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- Members Absent:

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- The meeting was called to order at 7:30 pm by Chair Allison.

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- Chair Allison began by reviewing the evening's agenda and then turning to the first item on the agenda.

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- ***Subcommittee Oral Reports***

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- **Culture and Recreation**

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- Subcommittee Chair Smith began with a brief overview of the Library's budget, personnel, and program offerings. He noted the programs that the Library undertakes. Activity indicators within the programs are being looked at. Among the long-term issues is the desire to have more Sunday hours. SC Chair Rittenburg asked about how health insurance will be addressed. Chair Allison said that the health insurance impact would be addressed in the overview section of the WC's report, a draft of which will be presented to the WC next week. Chair Allison then reviewed issues raised in the 2010 WC Report that had not been raised in the presentation: what is the scope for technology? how much librarian time is taken up with book acquisition/collection which other communities are also doing? and to what extent do we wish to provide broadband internet access? Member Sarno provided some information regarding the collection of materials.

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- Member Becker provided an overview of the Health Department. She noted that the overall budget is lower because of personnel changes, resulting in salary shifts downward. She noted two areas of regionalization: the social worker and the sealer of weights and measures.

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- Member Manjikian reviewed the COA, which has a budget of \$350K, eight programs, and about the same number of FTEs as last year. Data gathering has improved, he said, but more details are needed. The operating budget is only 46% of the overall budget. Regionalization on transportation is being explored. Member Lynch asked about usage numbers. Member Manjikian said that the numbers are there and that there are a small percentage of people that use the Center frequently. Member Epstein

asked about the program fees and asked whether the fees cover the cost of the programs. Manjikian said that grant money helps fund the programs and that the classes tend to be revenue neutral. Chair Allison noted that, based on last year's report, clarity was needed on the details of particular programs.

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- Member McHugh reviewed the Recreation Department's budget, FTEs, and programs. The Rec. Department has made progress restating the programs from a "total cost" perspective. There is a loss of \$250K on non-summer programs, and fees have been increased across the board. However, more than half of the losses are associated with fixed costs (pension, benefits, building maintenance, etc.) Cutting programs reduces revenue and therefore does not save money. The Rec. Department's level service budget is up by \$30K due to a policy change whereby the schools will now be charging the department for custodial services. This is a budget shift from the school budget to the Rec. Department budget, not an overall increase to the town. The Rec. Department's overhead will need to be driven down or the volume will need to be increased. Member Lynch asked about cost savings via combining departments. Member McHugh said this was discussed and she added that regionalization is also being looked into. The WC discussed these topics (as well as outsourcing). Member Libenson noted that all departments "lose revenue" by the same standard that was applied to the Rec. Department. He added that the Rec. Department actually generates income, then he asked: is it considered a core program in town?

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#### **Education**

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- This report will come at a later date.

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#### **General Government**

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- Subcommittee Chair Millane reviewed the departments within General Government. Spending has remained steady, with the exception of audit fees incurred this year. She said that the CPA implementation will add more duties to the department. The addition of the part-time budget analyst position has been helpful town-wide. The need for additional automation will require more analysis. BOS Chair Jones asked about funding for an administrator from the CPA revenue which should help with the new duties.

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- Member Grob reviewed the Assessors Department and said the budget is up \$3K and that the number of FTEs is the same (3.4). The overlay account was discussed as well as the impact of the CPA to this department. (The Assessors will track those seeking CPA exemptions).

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- Member Sarno reported that the Human Resources budget has been flat overall (there was only a 0.2% increase in the budget). Programmatic budgeting has improved for the six major programs and data is being collected on the programs. He said they are looking into more automation. There are major issues, including the pay classification system that is in place and may need to be revisited. Another issue (which was

successfully addressed) was to decrease the number of health plans offered to retirees. Member Dash noted that regionalization has been studied, but no further progress has been made. BOS Chair Jones noted that a group studied the HR department with regard to outsourcing and automation. Town Accountant Hagg said that the HR data is shared with the Treasurer's office.

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- Member Dash reviewed the BOS and Town Administrator's Office. He noted that the Town Hall building expense numbers are high given that only three departments work there. There are 3.8 FTEs. The Assistant Town Administrator position is still vacant, thus there will be some savings in salary. Legal services were put out to bid, but no savings are currently budgeted. (BOS Chair Jones noted that it is too early to ascertain if there will be savings in that area.) Long term issues include that too few departments report to the TA, which results in his lack of control over hiring, etc.

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- Member Epstein reviewed the Office of the Treasurer and IT. Both departments have stayed within level service budgets. He said direct deposit has been achieved for most employees and taxes can be paid online. The Treasurer collects parking fees and parking fine receipts have dropped by \$70K. The three dollars a day rate to park in a Center lot is far below market rate. Member Becker observed that those who pay \$3 a day work in Center businesses (per policy regarding statements of interest, she noted that she was an owner of a small business in Belmont Center). Member Epstein said that while this department is small, it is efficient.

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- The IT department has five FTEs. Member Epstein said that there is movement within IT toward "cloud computing," which will be cost neutral in FY12, but may generate hardware savings in future years.

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- Member Sarno reported that the Town Clerk's Office has 3.5 FTEs. The budget has varied over the past years based on the number of elections and/or the number of Town Meetings held. There has been a savings this year based on holding one less election. Programmatic budgeting has been implemented and is broken down by function. This department, he said, maintains a lot of records. Budget increases have occurred in health insurance, salaries, and postage. The Town Clerk has requested a 25% salary increase. This increase includes an increase in the salary base (per the pay classification), a COLA, and a step increase. However, this request has not been incorporated into the budget to be recommended to TM. This report applied only a step increase to her salary, based on past practice and consistent with increases being received by other elected officials on a step system.

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- Automation, Sarno continued, has been an issue with regard to all of the record-keeping functions. There has been improvement with automation here and on the state level as well. He provided several examples of work underway.

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- In answer to a question about the Town Clerk's salary, Member Sarno explained the 5-year mid-point step process.

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- **Public Safety**

- Subcommittee Chair Lynch reviewed the highlights from the Police Department and their seven programs. FTEs are the same. The budget, at \$6M, is level service. Records are kept of service calls that the department receives (21,000 calls were responded to last year.) Non-violent crimes are up. Regionalization, he said, is a two-step process and the first step has been accomplished: fire and police communications is now regionalized. Police services have not been regionalized with other communities. Sick and disability time is being analyzed by a consultant with the hope of achieving cost savings. Part-time positions are being looked at with regard to benefits eligibility.

- Regarding fire, there are 55 FTEs for four programs. The budget, at \$5.1M, is level service. Most of the \$5.1M is for fire suppression (and fires are rare). Regional Dispatch will be studied and grant money is available. Regarding EMS, the BOS voted on Monday to increase the ambulance fees (Medicare + 300%). Regarding ALS, the BOS will be discussing upgrading the EMS to ALS at some point in the future. Serious fires are down, but the challenge is to have the appropriate force when there is a serious fire. Chair Allison noted several issues raised in last year's report, including the "service" program. Also noted last year, was that compensation costs are linked almost entirely to fire suppression, but that is not the way the force spend its time. Member Libenson explained that the regionalization conversation is necessary because of the amount of money spent on fire suppression versus the number of fires.

- **Public Works**

- Subcommittee Chair Epstein started with the DPW department. He noted that they are delivering increased services within their available revenue budget, e.g., adding \$50K to sidewalks. The DPW staff has been reduced and there are areas throughout town that require maintenance attention: rink, pool, tennis courts, and roads. A street opening coordinator has been hired and the salary is covered by fees. Recycling saves the town money. Yard waste pickup may need to be studied, as the town spends \$300K to collect yard waste – charging a fee for this service should be studied. Wages and benefits have decreased. In answer to a question, he offered that the town has 102 vehicles with a motor in it. Chair Allison noted the budget has fallen in "real terms" over the past decade and that there is no plan for the failure of the rink and pool. Trees that are removed are not replaced as there is no budget for tree replacement.

- Chair Allison thanked the WC for excellent reports and careful analysis. (Draft written reports are due next week.)

- ***Discussion of FY12 Budget***

- Chair Allison began with public communications, noting that the WC email has been set up should residents desire to ask questions or provide comments to the WC (no one has done so yet). The League of Women Voters will be unable to hold a second

informational night devoted to budget questions and therefore the WC should consider doing so.

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- Regarding budget numbers, Chair Allison said there is nothing new to report on state aid at this time. She then asked Town Accountant Hagg to review the changes in key cost estimates made over the last month. After a brief review of recent and potential changes in revenue estimates, Hagg provided new expense detail.

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- She noted that health insurance (change increase to 5%~~from the original of 6%) will provide \$35,900 town savings and \$55,200 savings for school side. Electricity savings for the town will be \$80K (street lighting, buildings, rink), and for the school side \$40K. The Enhanced Medicare change will give the town a savings of \$93K, and the schools a savings of \$87K.

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- Chair Allison noted that the Assessors said they would not reserve 100% for the Appellate Tax Board (ATB) cases, and she requested Member Baghdady to follow up on this. BOS Chair Jones asked Member Baghdady to explore the relationship between past results in ATB cases (60% wins) and the Assessors' reserve policy.

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- Regarding schedule, Chair Allison noted that the draft subcommittee reports are due on March 30<sup>th</sup>. She then reviewed the approach to developing the override numbers into the report, should the BOS decide to put one on the ballot.

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- Chair Allison noted that the budget will not be ready by April TM due to uncertainties about the legislature's budget and other delays. Override numbers will also not be known. Nevertheless, draft subcommittee reports based on the current AR budget are still due March 30; they will aid the BOS in their consideration of the override issue.

### ***Announcements***

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- Chair Allison distributed a preliminary list of Warrant Articles, noting that the WC will follow a two-step process of first identifying those issues on which it will make a recommendation, and then moving on to discuss the substance of the recommendations.

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- Chair Allison requested that Member Libenson report on the Article which pertains to Town/School Facility Maintenance Consolidation for next week.

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- Minuteman has provided more information and Mr. Weiss will be available to present this information at a future WC meeting.

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- There is no news from the Retirement Board regarding the WC's questions, but this will be pursued. As noted earlier, there is now an additional question for the Assessors regarding the money being held for legal cases.

### ***Approval of Minutes for 3/16/2011***

- The minutes of March 16, 2011 were approved, with three abstentions and SC Chair Rittenburg opposed.

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- *Adjournment*

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- BOS Chair Jones moved to adjourn at 9:30 pm.

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- Submitted by Lisa Gibalerio

- WC Recording Secretary